

ILLINOIS DEPARTMENT OF REVENUE  
1500 South Ninth Street  
Springfield, Illinois 62708

INFORMATIONAL BULLETIN FY82-8

TO: All Licensed Motor Fuel Distributors and Suppliers

Recently, Governor James R. Thompson signed two Public Acts 82-152 and 82-214 which amend the Illinois Motor Fuel Tax Law.

Public Act 82-152 (SB 1106) signed August 12, 1981, provides that if a distributor's only activities with respect to motor fuel is the production of alcohol in quantities of less than 10,000 proof gallons per year or the blending of less than 10,000 proof gallons per year, he may file Motor Fuel Distributor Returns (RMFT-5) on an annual rather than a monthly basis. This return is to be filed on or before the 20th day of the month for the preceding month.

A "Proof Gallon" means one gallon of 100 proof alcohol. For example: One gallon of 200 proof alcohol is two proof gallon. For the purpose of this Act the definition of "proof" is the strength of an ethyl alcohol solution and is a number that is double that of the percent of alcohol in the solution. For example, "100 proof" means 50% alcohol.

In addition this Public Act removes the \$1,000 minimum bond requirement for Motor Fuel distributors, suppliers and bulk user who are licensed to buy tax-free. The Department will now determine the amount of bond required, if any. There is no charge to the maximum amount of \$40,000.

Public Act 82-214 (SB1105) signed on August 14, 1981, classifies gasohol for the purposes of reporting to be in the same category as gasoline and authorizes all bulk users to file returns on an annual rather than monthly basis. This return is due on April 15 for the preceding year. On the reverse side for your information is a copy of the Informational Bulletin recently sent to the Licensed Bulk Users.

In order that gasohol may be properly reported as gasoline on your September return, any inventory of gasohol on hand as of the close of business on August 31, 1981, should be brought into accounting in its entirety on Schedule A, identified in the PURCHASED FROM" column as "Inventory of Gasohol". This will bring the gasohol into accounting.

When alcohol is acquired for blending purposes, the acquisition is to be reported on Schedule A. The total amount of gasoline which is used for blending is to be deducted from Schedule A and shown as transferred to Schedule M. A complete detail of blending is to be listed on Schedule M and the resultant gasohol is to brought back into accounting on Schedule A.

If you have any questions regarding these amendments, please feel free to contact us at 217-782-2291.

J. Thomas Johnson  
Director

Issued: September, 1981

-